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COSTS and RETURNS



**Commercial
Wheat
Farms**

**Pacific Northwest
Northern Plains
Southern Plains**

1963

FARM COSTS STUDIES

This report is part of a continuing nationwide study of costs and returns on commercial farms and ranches by type and size in some of the important farming regions of the United States. The study is conducted under the general supervision of Wylie D. Goodsell, Farm Production Economics Division, Economic Research Service. Objectives, methodology, procedure, and terms are uniform for all areas covered in the study.

The 1963 costs and returns studies have been conducted on the following:

- Dairy Farms, Northeast and Midwest
- Corn Belt Farms
- Egg-Producing Farms, New Jersey
- Broiler Farms, Maine, Delmarva, and Georgia
- Cotton Farms
- Tobacco Farms, Coastal Plain, North Carolina
- Tobacco-Livestock Farms, Bluegrass Area, Kentucky
- Wheat Farms, Plains and Pacific Northwest
- Western Livestock Ranches

Summary statistics for all types of farms in the study are presented in a report, revised annually. The latest such report was published in 1963 and is titled: "Farm Costs and Returns, Commercial Farms, by Type, Size, and Location," Agriculture Information Bulletin No. 230, Revised, 1963.

Information on the studies can be obtained from Farm Production Economics Division, Economic Research Service, U.S. Department of Agriculture, Washington, D.C., 20250.

COSTS AND RETURNS COMMERCIAL WHEAT FARMS, PACIFIC NORTHWEST, NORTHERN PLAINS, AND SOUTHERN PLAINS 1963

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INTRODUCTION

Costs and returns for 1962 and 1963 on typical wheat farms in 3 of the most important wheat-producing regions in the United States are presented in this report (fig. 1). In 1963, incomes on these farms varied from \$5,511 per farm on wheat-corn-livestock farms in the Northern Plains to \$17,521 on wheat-pea farms in the Pacific Northwest. Incomes were lower in 1963 than in 1962, varying from 5 percent lower on wheat-pea farms to 42 percent lower on wheat-small grain-livestock farms. Net farm incomes in 1962 and 1963 were as follows:

	<u>1962</u>	<u>1963</u>	<u>Percentage change</u>
Pacific Northwest:			
Wheat-fallow farms.....	\$15,509	\$14,260	- 8
Wheat-pea farms.....	18,435	17,521	- 5
Northern Plains:			
Wheat-roughage-livestock farms.....	9,970	7,101	-29
Wheat-small grain-livestock farms.....	11,284	6,564	-42
Wheat-corn-livestock farms.....	6,013	5,511	- 8
Southern Plains:			
Wheat farms.....	12,055	7,584	-37
Wheat-grain sorghum farms.....	9,603	5,711	-41

PACIFIC NORTHWEST

Wheat-Fallow Farms

Net farm incomes on wheat-fallow farms were about 8 percent lower in 1963 than in 1962 (table 1) and about 10 percent below the 1957-59 average. The reduction in net income resulted from lower prices received for products sold and higher expenses.

Operators of wheat-fallow farms received \$1.94 per bushel for wheat in 1963 and \$1.99 in 1962. Price declines for most products were relatively greater than for wheat. Exceptions were rye and eggs which were higher than in 1962. Receipts in 1963, from the sale of wheat constituted 75 percent of gross income; the sale of barley constituted

LOCATION OF TYPES OF FARMS STUDIED

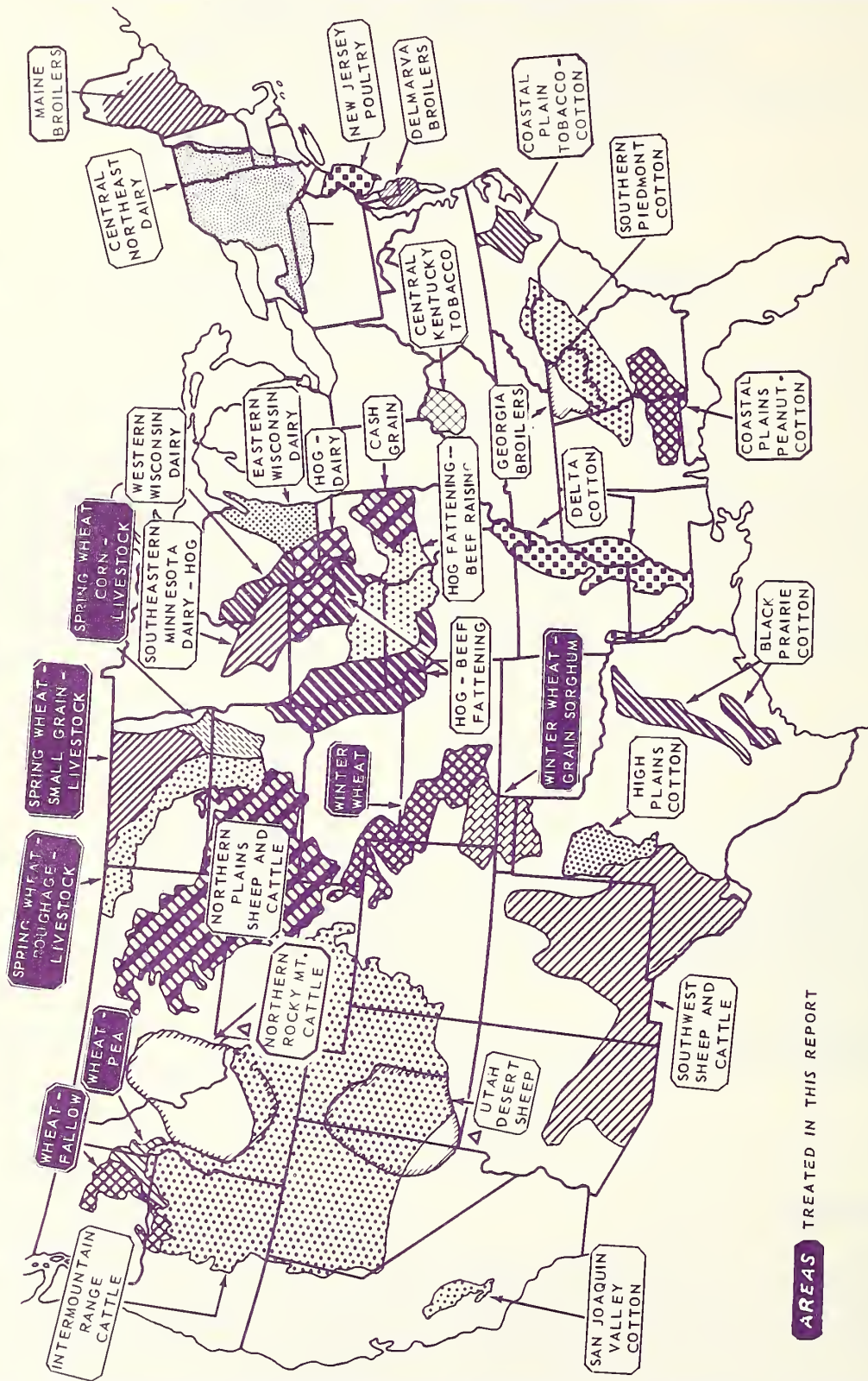


Figure 1

Table 1.- Organization, production, costs and returns, wheat farms, Pacific Northwest, 1962 and 1963

Item	Unit	Wheat-fallow farms		Wheat-pea farms	
		1962 1/	1963 2/	1962 1/	1963 2/
Gross farm income.....	Dollar	25,797	24,962	31,166	30,766
Total operating expenses.....	do.	10,288	10,702	12,731	13,245
Net farm income.....	do.	15,509	14,260	18,435	17,521
Total land in farm.....	Acre	1,400	1,430	595	600
Total cropland.....	do.	1,007	1,037	541	546
Cropland harvested.....	do.	411	460	394	390
Wheat.....	do.	270	312	150	178
Other small grains.....	do.	124	133	94	81
Hay.....	do.	17	15	16	19
Peas.....	do.	---	---	134	112
Inventory value, Jan. 1:					
Land value, per acre.....	Dollar	88	88	289	292
Machinery and equipment.....	do.	19,620	19,850	22,670	22,880
All cattle and calves.....	Number	33.0	35.0	16.0	17.3
Crop yields per harvested acre:					
Wheat.....	Bushel	35.9	31.6	55.1	51.4
Barley.....	Cwt.	18.0	16.3	22.5	24.8
Peas.....	do.	---	---	15.0	15.1
Prices received for products sold:					
Wheat, per bushel.....	Dollar	1.99	1.94	1.88	1.85
Barley, per ton.....	do.	39.16	36.67	39.00	36.00
Peas, per cwt.....	do.	---	---	4.50	4.52
Steers and heifers, per cwt.....	do.	23.50	22.00	23.20	21.95
Index numbers (1957-59=100):					
Crop yields per acre.....	---	105	93	116	112
Prices received for products sold.....	---	106	103	110	107
Prices paid, including wages to hired labor.....	---	106	106	99	99

1/ Revised. 2/ Preliminary.

Note: Information presented here is on an owner-operator basis primarily for comparability between types of farms. Net farm income is the return to operator and unpaid members of the family for their labor and management on the farm and return to total capital. No allowance has been made for payment of rent, interest, or mortgage.

11 percent; and the sale of cattle amounted to about 7 percent. The sales of crops constituted about 86 percent of the total value of production on wheat-fallow farms in 1963 and 1962.

In 1963, crop yields were down about 12 percent from 1962, but acreage harvested increased sufficiently to maintain crop production at the 1962 levels.

Farm expenses were 4 percent higher in 1963 than in 1962 as a result of an increase in the quantity of goods and services purchased. The overall average of prices paid remained unchanged between 1963 and 1962 at 6 percent above 1957-59. However, prices paid for items used in production have not all moved in the same direction. Prices paid for seeds, herbicides, and fertilizer

have declined 12 percent since 1957-59. These items at current prices comprise 19 percent of the total farm expense. Prices paid for feed, livestock, and building and fencing materials have not changed materially since 1957-59. Wage rates have gone up 4 percent and machinery prices 8 percent. At the present time, machinery costs, including operating costs, constitute about 50 percent of farm expenses and hired labor constitutes 8 percent. Since 1957-59, tax rates have risen 45 percent. In 1963, they constituted 14 percent of the farm expense and in 1957-59, 10 percent.

The composition of farm inputs usually does not change significantly from year to year. However, over a period of years, very important trends are evident. For example, there were 20.3 acres of cropland

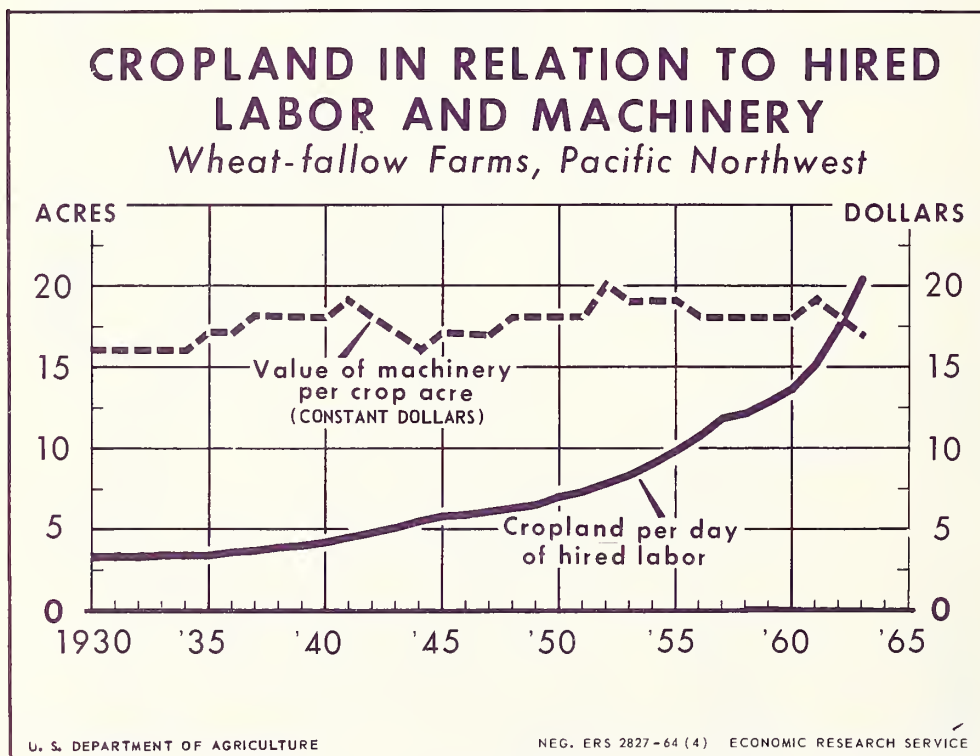


Figure 2

per day of hired labor in 1963 and in 1956 only 10.7 acres (fig. 2). Reduction in the amount of hired labor per crop acre began on the wheat-fallow farms in the early thirties. At that time, there were only 3.3 acres of cropland per day of hired labor. The amount of cropland on these farms has since increased relative to hired labor continuously.

Use of larger and more efficient machines permitting a man to do more work in a day has created economy in the use of hired labor. One of the latest examples is the substitution of the self-propelled combine for the pull-type machine. Before self-propelled combine and bulk-handling entered the scene, 3 men were needed to operate a typical combine. Today one man to a machine can combine many more acres in a day, and do a better job. Mechanization has increased without materially increasing the quantity of machinery per crop acre. In 1963 the total value of machinery and equipment per crop acre at constant prices was only 8 percent greater than in 1930. Over the years, substantial economies have resulted from the use of machinery. These economies in use of a given machine include: (1) Using a given machine more days per year; (2) accomplishing more work per day of use; and (3) using the machine for more years. The average diesel tractor on the wheat-fallow farm is 12 years old and the average age of a gas tractor is 13 years. Most of these tractors have several more years of useful life.

Wheat-Pea Farms

Net incomes in 1963 on wheat-pea farms averaged 5 percent lower than

the record high of 1962 (table 1). However, they were the third highest on record and 30 percent higher than the 1957-59 average. Net incomes were lower in 1963 than in 1962 because farm product prices and crop yields were lower and farm expenses were higher.

Crop production was about the same in 1963 and 1962, but production of livestock and livestock products increased 12 percent in 1963. Hog and cattle production were up about 20 percent, but dairy and poultry production were down slightly. During the last 10 years, the trend in hog production has been upward, from 1,443 pounds per farm in 1954 to 5,648 pounds in 1963. However, the volume of hog production on these farms is still only 56 percent of the previous record made in 1943, when 10,157 pounds of pork were produced per farm. In 1943, a favorable wheat-hog price ratio made it profitable to feed wheat to hogs.

Total harvested acreage per farm was down slightly in 1963 from 1962. This was due to a reduction of acreage of peas and a large failure of winter barley. Most of the latter was replanted to spring barley, but total harvested acreage of this crop was still down 17 percent. These decreases were largely offset by an increase in the acreage of harvested wheat. However, wheat yields were down from 55.1 bushels per acre in 1962 to 51.4 bushels in 1963. Yields of hay and peas were about the same in 1962 and 1963 but yields of barley and oats were at all time highs. Barley yields were 10 percent higher than in 1962 and oat yields were 40 percent higher.

The quantities of most items used in production in 1963 were either the same or larger than the quantities used in 1962. Crop expense items--seeds, fertilizer, and pesticides--were up 9.5 percent and livestock expense items were up 8.0 percent. Crop expense items currently comprise 29 percent of total farm expenses, and machinery and power items, 44 percent. In 1963, quantities of the various inputs and prices paid for these inputs relative to their use and price in 1947-49 were as follows:

<u>Item</u>	<u>Quantity used</u>	<u>Prices paid</u>
	(1947-49=100)	
Hired labor.....	51	174
Real estate and personal property tax..	134	172
Power and machinery	127	145
Livestock expense....	99	116
Building and fencing..	111	113
Crop expense.....	840	87
All cash inputs.....	166	124

Operators of wheat-pea farms have greatly increased the use of lower cost inputs and reduced the use of higher cost inputs.

NORTHERN PLAINS

Wheat-Roughage-Livestock Farms

Net farm incomes on typical wheat-roughage-livestock farms in 1963 were 29 percent below 1962 but the third highest on record (table 2). The lower 1963 returns resulted mostly from lower crop yields. Harvested acreage per farm was about the same both years, but crop yields averaged about 27 percent lower in 1963. In 1963, wheat averaged 18.5 bushels per acre, barley 28.4 bushels, and flaxseed 8.9 bushels. In 1962, wheat averaged 25.7 bushels per acre, barley 38.1 bushels, and flaxseed 13.0 bushels.

The 1963 season average price received on these farms for wheat was \$1.99 per bushel; barley, \$0.75 per bushel; and flax, \$2.75 per bushel. This compares with prices in 1962 of \$2.14 per bushel for wheat, \$0.80 for barley, and \$2.78 for flax. Also, cattle were selling at somewhat lower prices in 1963 than in 1962. However, the average price for rye was \$0.97 per bushel in 1963 up from \$0.87 in 1962.

Total inputs used in production in 1963 were down only 2 percent from 1962. With farm production down 21 percent, production per unit of input was down 20 percent. Farmers can do little to cut expenses to compensate for lower yields. Wheat farmers, particularly in years of low incomes, tend to curtail new machinery purchases. The average age is increasing at which tractors and other major items of equipment is being replaced. This results in some saving in depreciation charges. However, the amount of such savings from one year to the next is relatively small.

Prices paid for goods and services used in production averaged about 2 percent higher in 1963 than in 1962. However, farm machinery purchases increased about 25 percent and materials used to operate this machinery declined about 13 percent. The increase in the quantity purchased resulted from the extremely large crop in 1962; operating costs dropped off with smaller 1963 crops.

Table 2.- Organization, production, costs and returns, wheat farms, Northern Plains, 1962 and 1963

Item	Unit	Wheat-roughage- livestock farms		Wheat-small grain- livestock farms		Wheat-corn- livestock farms	
		1962	1963 1/	1962	1963 1/	1962 2/	1963 1/
Gross farm income.....	Dollar	15,124	11,978	17,415	12,384	11,381	10,679
Total operating expenses.....	do.	5,154	4,877	6,131	5,820	5,368	5,168
Net farm income.....	do.	9,970	7,101	11,284	6,564	6,013	5,511
Total land in farm.....	Acre	830	840	730	740	530	540
All cattle and calves.....	Number	46	46	24	27	52	58
Total farm capital, Jan. 1.....	Dollar	50,490	53,720	54,120	57,540	56,180	60,610
Land and buildings.....	do.	33,170	35,600	37,810	40,400	36,810	39,750
Machinery and equipment.....	do.	7,870	7,890	10,870	10,820	8,250	8,370
Livestock.....	do.	7,150	7,600	3,780	4,490	8,550	9,950
Crops.....	do.	2,300	2,630	1,660	1,830	2,570	2,540
Cropland harvested.....	Acre	422	416	368	384	285	298
All wheat.....	do.	100	123	127	130	55	59
Corn.....	do.	36	35	12	12	46	57
Flax.....	do.	50	59	44	55	25	28
Other small grains.....	do.	115	98	129	134	84	82
Crop yields per acre:							
All wheat.....	Bushel	26	18	31	22	22	14
Corn.....	do.	26	33	41	44	34	47
Flax.....	do.	13	9	13	9	10	9
Barley.....	do.	38	28	42	31	26	26
Prices received for products sold:							
Wheat, per bushel.....	Dollar	2.14	1.99	2.25	2.00	2.14	1.99
Flax, per bushel.....	do.	2.78	2.75	2.78	2.75	2.78	2.75
Cattle, per cwt.....	do.	21.10	20.04	21.10	20.04	20.68	19.64
Index numbers (1957-59=100):							
Crop yields per acre.....	---	195	143	194	137	122	112
Prices received for products sold.....	---	93	91	101	94	105	100
Prices paid, including wages to hired labor.....	---	105	107	103	104	110	109

1/ Preliminary. 2/ Revised.

Note: Information presented here is on an owner-operator basis primarily for comparability between types of farms. Net farm income is the return to operator and unpaid members of the family for their labor and management on the farm and return to total capital. No allowance has been made for payment of rent, interest, or mortgage.

Wheat-Small Grain-Livestock Farms

Net incomes on wheat-small grain-livestock farms, though fifth highest of record, were about 42 percent below 1962's record high (table 2). Production was about 25 percent smaller in 1963, and accounted for about 80 percent of the decline in gross income. A decline of 7 percent in prices received for products sold accounted for the remainder.

The drop in 1963 production resulted from lower crop yields--down about 30 percent from the unusually high yields in 1962. A 4-percent increase in the harvested acreage partially offset these yield declines.

Yields on these farms are extremely variable. The average annual variation 1930-1963 in the crop yield index is 52 percent. Most, if not all of this variation results from changes in weather. However, the trend in crop yields per acre has been upward. For the last 17 years crop yields averaged 47 percent higher than for the preceding 17 years. Probably very little of this increase can be attributed to differences in weather.

Gross income on wheat-small grain-livestock farms is derived from a wide variety of products; 2 types of wheat (durum and other hard spring) barley, rye, flax, beef cattle, hogs, poultry, and butterfat. Receipts from the sales of these commodities, both in absolute and relative terms, are extremely variable from year to year because of variations in production and price. In 1962 and 1963, prices received for cattle and wheat were higher than in 1957-59 while barley and flax were lower. Production on these

farms has varied greatly and is currently greater than in 1947-49, as shown by the following figures:

Commodity	1962	1963
	(1947-49=100)	
Beef cattle	106	118
Wheat.....	157	114
Flax.....	245	206
Barley.....	416-	291

Farm expenses declined about 5 percent from 1962 to 1963 on these farms largely because of fewer purchases associated with the smaller 1963 crop. The index of prices paid for goods and services purchased increased about 1 percent.

Wheat-Corn-Livestock Farms

Net farm incomes in 1963 on typical wheat-corn-livestock farms were 8 percent lower than in 1962, but were 9 percent higher than the 1957-59 average (table 2). Most of the reduction in income resulted from lower prices received for commodities produced. Total production was down only 1 percent.

Production of livestock was up 9 percent, livestock products down 1 percent, and crop production down 5 percent. The number of cattle per farm increased in 1963 from 58 to 63 head. This continues a trend which began in 1949, when there were 27 head per farm.

Poultry numbers in 1963 continued a decline which began after World War II. Most operators of wheat farms currently do not raise chickens and those that do usually have fewer than 100 layers. Operators of wheat-corn-livestock farms keep more poultry than do other wheat farmers. However, the number of birds on these farms has declined

from 141 per farm in 1944 to 88 at the close of 1963.

Contributing to the decline in the importance of poultry is the drop in poultry prices. In 1962 and 1963, the price of farm chickens was 5 cents per pound compared with 21 cents in 1947-49. Eggs sold for 23 and 25 cents per dozen in 1962 and 1963, respectively, contrasted to 33 cents in 1947-49. Liveweight prices of red meats have remained fairly constant since 1947-49 when beef brought 20 cents per pound and pork 21 cents. In 1962, beef brought 21 cents and pork 16 cents per pound compared with 20 cents and 15 cents, respectively, in 1963. Operators of wheat-corn-livestock farms keep a few sheep, but this enterprise has never been of major importance.

Total crop production was down 4 percent in 1963 from 1962. Crop

yields were down about 8 percent and the harvested acreage was up about 4 percent. Wheat yields were down 36 percent, flax yields down 14 percent, and hay yields were down 9 percent. Barley yields were unchanged but corn yields were up about 38 percent.

The 4-percent decline in farm expenses on typical wheat-corn-livestock farms was due to a slight decline in prices paid and to a reduction in purchases. These farmers ordinarily produce sufficient hay or other roughage for their own cattle. However, because of the short 1961 crop, considerable hay was purchased in the winter and spring of 1962. In 1963, with larger hay and silage crops, less hay was purchased. This, combined with a 1-percent drop in prices paid for goods and services used in production, accounts for most of the decline in farm expenses.

SOUTHERN PLAINS

Wheat Farms

In 1963, net farm incomes on typical wheat farms in the Southern Plains averaged 37 percent below 1962 (table 3) and 17 percent below 1957-59. Gross incomes averaged 24 percent below 1962, but only 1 percent below 1957-59. Farm expenses were not significantly different in 1963 than in 1962. However, they were up 26 percent from 1957-59.

Gross farm production in 1963 was down 18 percent from 1962. The decline in production resulted from unusually low yields per acre as harvested acreage and livestock production remained unchanged. Barley acreage was reduced from

17.3 acres to 5.6 acres. Most of this reduction was offset by an acreage increase in sorghum for grain and for pasture.

In 1963 the index of crop yields was 87 percent of 1957-59 and 70 percent of 1962. Yields per harvested acre for each crop grown on these farms were lower in 1963 than in 1962. The yield of wheat per net planted acre (the acreage planted to wheat and not replanted to some other crop) was down 34 percent. This reduction was greater than for other crops. Because of the greater importance of wheat, the reduction accounted for 91 percent of the decline in the yield index.

The cattle enterprise on these farms has increased since 1957--

Table 3.- Organization, production, costs and returns, wheat farms, Southern Plains, 1962 and 1963

Item	Unit	Wheat farms			Wheat-grain sorghum farms		
		1962			1962		
		1962	1963	1963	1962	1963	1963
Gross farm income.....	Dollar	18,785	14,309		19,881		16,632
Total operating expenses.....	do.	6,730	6,725		10,278		10,921
Net farm income.....	do.	12,055	7,584		9,603		5,711
Total land in farm.....	Acre	800	810		879		889
Total cropland.....	do.	601	608		677		684
Cropland harvested.....	do.	333	334		355		356
Wheat.....	do.	215	216		219		215
Grain sorghum.....	do.	51	59		87		115
Other grains.....	do.	23	12		21		2
Forage sorghum and hay.....	do.	41	38		28		24
Inventory value, Jan. 1:							
Land value, per acre.....	Dollar	104	109		111		116
Machinery and equipment.....	do.	10,640	11,160		10,640		11,100
All cattle and calves.....	Number	56.7	60.7		64.7		72.5
Crop yields per harvested acre:							
Wheat.....	Bushel	24.2	18.5		21.9		13.5
Grain sorghum.....	Cwt.	20.8	19.4		23.5		24.9
Forage sorghum.....	Ton	3.4	3.2		2.6		3.5
Prices received for products sold:							
Wheat, per bushel.....	Dollar	2.06	1.90		2.02		1.90
Grain sorghum, per cwt.....	do.	1.71	1.62		1.71		1.62
Cattle, per cwt.....	do.	21.60	20.20		3/ 23.40		3/ 21.80
Index numbers (1957-59=100):							
Crop yields per acre.....	---	125	87		115		88
Prices received for products sold.....	---	113	105		107		99
Prices paid, including wages to hired labor.....	---	107	109		105		103

1/ Preliminary. 2/ Revised. 3/ Steers and heifers only.

Note: Information presented here is on an owner-operator basis primarily for comparability between types of farms. Net farm income is the return to operator and unpaid members of the family for their labor and management on the farm and return to total capital. No allowance has been made for payment of rent, interest, or mortgage.

both in absolute and relative ways to other enterprises and to the State of Kansas as a whole. As of January 1, 1957, cattle numbers on wheat farms averaged 33.1 head per farm compared with 63.7 in 1964. The distribution of receipts on these wheat farms for 1957-59, 1962, and 1963 is as follows:

Item	<u>1957-59</u> Percent	<u>1962</u> Percent	<u>1963</u> Percent
Cattle sales.....	17.5	24.1	29.1
Other livestock and livestock products.....	4.8	4.5	5.9
Wheat.....	55.6	59.0	53.8
Other crops.....	15.8	9.6	9.4
Government pay- ments.....	<u>6.3</u>	<u>2.8</u>	<u>1.8</u>
Total.....	100.0	100.0	100.0

The index of cash inputs 1957-59 (=100) was 118 for 1962 and 116 for 1963. Corresponding indexes for prices paid were 107 and 109. The decline in the quantity of goods and services purchased about offset the increases in their prices.

The value of farm capital invested in typical wheat farms continues to increase. On January 1, 1963, market value of a typical wheat farm was estimated to be \$110,320. This compares with an estimated value of \$103,580 on January 1, 1962. A number of factors contributed to this 6.5 percent increase. Land values at the start of 1963 were about 4.8 percent higher than in 1962. The value of machinery and equipment, livestock and crops were all higher compared with a year earlier. The volume of machinery and equipment used on these farms has not increased much. In 1962 and in 1963, the machinery index was 104 (1957-59=100).

Wheat-Grain Sorghum Farms

Net farm incomes in 1963 on wheat-grain sorghum farms averaged 41 percent lower than in 1962 (table 3) and 17 percent lower than in 1957-59. Production in 1963 was down about 7 percent and prices received for products sold were down about 8 percent. Government payments on typical wheat-grain sorghum farms declined from \$848 per farm in 1962 to \$343 in 1963. Most of this decline was the result of lower payments for participation in the Feed Grain Program.

Prices received for products sold were lower in 1963 than in 1962 for all major items. Wheat was down 12 cents a bushel, and grain sorghum was down 5 cents per bushel. Cows sold for \$13.60 per hundred-weight in 1963, steers and heifers for \$21.80, and hogs for \$15.00. Corresponding prices for 1962 were \$14.30 for cows, \$23.40 for steers and heifers, and \$16.40 for hogs.

The production of livestock and livestock products, as measured by 1957-59 prices, was 24 percent higher in 1963 than in 1962. This was due almost entirely to increasing numbers of beef cattle. The number of cattle on these farms has been increasing since the winter of 1956-57 with only a slight slowup in 1960. Cattle numbers per farm averaged 25 head on January 1, 1957, and 79 head at the end of 1963. Contributing to this rate of growth is the growing practice of purchasing feeder calves. Since 1956, the number of calves purchased has increased relative to the number raised. Of the calves under 1 year old at the close of 1963, 64 percent were purchased. These calves came from nearby ranges, and comprised about one-third of the January inventory.

The smaller volume of crop production in 1963 compared with 1962 resulted entirely from lower yields per acre as harvested acres were unchanged. Yields in 1963 were down 23 percent from 1962 and 12 percent from the 1957-59 average. Acreage seeded to wheat increased from 249 acres in 1962 to 368 acres in 1963. However, acreage of wheat abandoned in 1963 was high, so acreage harvested per farm was only 215 acres, about 58 percent of planted acreage. In 1962, approximately 88 percent of the planted acreage was harvested. Acreage and per-acre yields of barley were also down but hay and sorghum forage production

remained about the same. Grain sorghum production was up 40 percent from 1962, because harvested acres increased 32 percent and yield per acre increased 6 percent.

Farm operating expenses in 1963 were 6 percent higher than in 1962. Prices paid were down about 2 percent, but the quantity of cash inputs was up nearly 9 percent. Prices paid for the various items of farm expense and quantities purchased are highly variable from one year to the next (table 4). In 1962, the quantity of inputs purchased was 44 percent more than in 1957-59, and in 1963 it was 49 percent more.

Table 4.--Indexes of Quantities Purchased and Prices Paid for Expenditure Items, Wheat-Grain Sorghum Farms, 1962 and 1963 (1957-59 = 100)

Item	Quantities Purchased		Prices Paid	
	1962	1963	1962	1963
Purchased feed	303	326	105	117
Calves.....	250	302	91	81
Seeds and supplies.....	118	144	105	112
Machinery and power	112	113	107	108
Irrigation expense	104	105	106	105
Buildings and fences	131	136	102	101
Hired labor	97	97	122	124
Taxes.....	103	105	129	135
All Expenses	144	149	104	102

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